

<p>Attorney or Party Name, Address, Telephone & FAX Nos., State Bar No. & Email Address</p> <p>Christopher B. Ghio (State Bar No. 259094) Christopher Celentino (State Bar No. 131688) Jonathan Serrano (State Bar No. 333225) DINSMORE & SHOHL LLP 655 West Broadway, Suite 800 San Diego, CA 92101 Telephone: 619.400.0500 Facsimile: 619.400.0501 christopher.ghio@dinsmore.com christopher.celentino@dinsmore.com jonathan.serrano@dinsmore.com</p> <p><input type="checkbox"/> Individual appearing without attorney <input checked="" type="checkbox"/> Attorney for: Richard A. Marshack, Chapter 11 Trustee</p>	<p>FOR COURT USE ONLY</p>
<p style="text-align: center;">UNITED STATES BANKRUPTCY COURT CENTRAL DISTRICT OF CALIFORNIA - SANTA ANA DIVISION</p>	
<p>In re:</p> <p>THE LITIGATION PRACTICE GROUP P.C.,</p> <p style="text-align: right;">Debtor(s).</p>	<p>CASE NO.: 8:23-bk-10571-SC CHAPTER: 11</p> <p style="text-align: center;">APPLICATION FOR ORDER SETTING HEARING ON SHORTENED NOTICE [LBR 9075-1(b)]</p>

1. Movant applies under LBR 9075-1(b) for an order setting a hearing on shortened notice on the following motion:
 - a. Title of motion: Motion for Order Approving Stipulation re Avoidance and Recovery of Avoidable Transfers to Defendant Phoenix Law and Turnover Related Property and Order of Dismissal Without Prejudice of Defendants Carss and Tan
 - b. Date of filing of motion: 7/6/2023
2. Compliance with LBR 9075-1(b)(2)(A): (***The following three sections must be completed***):
 - a. Briefly specify the relief requested in the motion:

Richard A. Marshack, the Chapter 11 Trustee ("Trustee") for the bankruptcy estate of The Litigation Practice Group, P.C. moves, pursuant to Section 105 of the Bankruptcy Code and Rules 9019 and 2002(a) of the Federal Rules of Bankruptcy Procedure for entry of an order approving the stipulation regarding avoidance and recovery of avoidable transfers to defendant Phoenix Law, PC and turnover of all related property to the Trustee and order for Dismissal without prejudice of defendants William Taylor Carss and Maria Eeya Tan.

- b. Identify the parties affected by the relief requested in the motion:

The parties to the stipulation, potentially the consumer clients, the Estate, and all creditors including consumer creditors.

- c. State the reasons necessitating a hearing on shortened time:

Shortly, the Trustee will seek Court approval to sell certain assets of the Debtor (the "Sale Motion"). However, the Trustee's instant 9019 motion for settlement has to be heard beforehand. Specifically, the 9019 motion for settlement asks the Court to approve the settlement terms reached by the Trustee, Phoenix, Ms. Tan, and Mr. Carss regarding the LPG client files fraudulently transferred by LGP to Phoenix. Upon the Court's approval, if granted, the Trustee intends to recover the files, which will then allow them to be sold pursuant to the terms of the Asset Purchase Agreement identified in the Sale Motion. Thus, Trustee requests a hearing on this motion be held on July 11, 2023, or as soon thereafter as is convenient to the Court.

3. Compliance with LBR 9075-1(b)(2)(B): The attached declaration(s) justifies setting a hearing on shortened notice, and establishes a *prima facie* basis for the granting of the motion.
4. Movant has lodged a proposed Order Setting Hearing on Shortened Notice on mandatory form F 9075-1.1.ORDER .SHORT.NOTICE

Date: 7/6/2023

DINSMORE & SHOHL LLP

Printed name of law firm

/s/ Jonathan Serrano

Signature of individual Movant or attorney for Movant

Jonathan Serrano

Printed name of individual Movant or attorney for Movant

DECLARATION OF CHRISTOPHER B. GHIO

I, CHRISTOPHER B. GHIO, declare as follows:

1. I am special counsel to Richard A. Marshack, the duly appointed Chapter 11 Trustee (the “Trustee”) for the bankruptcy estate (the “Estate”) of The Litigation Practice Group P.C. (the “Debtor” or “LPG”). I am a partner of Dinsmore & Shohl LLP and duly admitted to practice before all of the courts in the State of California, including the United States District Court for the Central District of California.

2. I have personal knowledge of the matters set forth herein. If called as a witness in this matter, I could and would testify competently thereto.

3. I make this declaration in support of the Trustee’s *Application for Order Setting Hearing on Shortened Notice [LBR 9075-1(b)]* (the “Application”) regarding a hearing on the *Chapter 11 Trustee’s Notice of Motion and Motion for Order Approving Stipulation re Avoidance and Recovery of Avoidable Transfers to Defendant Phoenix Law, PC and Turnover of All Related Property to the Trustee and Order of Dismissal Without Prejudice of Defendants William Taylor Carss And Maria Eeya Tan* (the “Motion”).

4. For the following reasons, good cause exists for shortening time for a hearing on the Motion.

5. On May 25, 2023, the Trustee filed an adversary proceeding against Phoenix, and Mr. Carss, Ms. Tan.

6. In his complaint, the Trustee asserted that that the Debtor had fraudulently transferred approximately 40,000 client files (the “Files”) to Phoenix Law, PC (“Phoenix”), that the clients never consented to their legal cases being transferred to new counsel, and that these transfers were avoidable and recoverable pursuant to 11 U.S.C. §§ 547, 548 and 550. With respect to Mr. Carss and Ms. Tan, the Trustee asked for the Court to grant his request for injunctive relief against them with respect to the Files transferred to Phoenix and all matters related to those Files.

7. On May 26, 2023, the Trustee obtained an emergency order (the “TRO”) that, among other things, enjoined Phoenix, Mr. Carss, and Ms. Tan from taking certain actions with respect to

1 the Files and client payments/funds. *See* TRO, Adv. ECF No. 13, and as amended on June 6, 2023,
2 Adv. ECF No. 21.

3 8. Following entry of the TRO, the Trustee has engaged in good faith, arms-length
4 negotiations with Phoenix, Mr. Carss, and Ms. Tan that have resulted in the terms and conditions
5 agreed to in that certain Stipulation for Agreed Judgment (1) Avoiding, Recovering, and Preserving
6 Transfers to Defendant, Phoenix Law Group, Inc.; (2) Turning Over All of Transferred Property to
7 Trustee; and (3) Dismissing Without Prejudice Defendants William Taylor Carss and Maria Eeeya
8 Tan (the "Stipulation").

9 9. Soon, the Trustee will seek Court approval to sell certain assets of the Debtor (the
10 "Sale Motion"). However, the Trustee's instant Motion has to be heard prior to the Sale Motion being
11 finalized. Specifically, the Motion asks the Court to approve the terms of the Settlement reached by
12 the Trustee, Phoenix, Ms. Tan, and Mr. Carss regarding the LPG client files fraudulently transferred
13 by LPG to Phoenix. Upon the Court's approval, if granted, the Trustee intends to recover the Files,
14 which will then allow them to be sold pursuant to the terms of the Asset Purchase Agreement
15 identified in the Sale Motion. Thus, the Trustee requests a hearing on the Motion be held on July 11,
16 2023, or as soon thereafter as is convenient to the Court.

17 10. In view of the foregoing, it is necessary for the Trustee to seek a shortened notice
18 period for a hearing on the Motion.

19 11. I do not believe that the relief requested herein will prejudice the Debtor or other
20 interested parties. The Trustee seeks an order shortening time as opposed to emergency relief in order
21 to afford the Office of the United States Trustee and other creditors an opportunity to respond to the
22 Trustee's requested relief.

23 I declare under penalty of perjury under the laws of the state of California that the foregoing
24 is true and correct, and that this declaration is executed on this 6th day of July, 2023 at San Diego,
25 California.

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Christopher B. Ghio

PROOF OF SERVICE OF DOCUMENT

I am over the age of 18 and not a party to this bankruptcy case or adversary proceeding. My business address is:
655 W. Broadway, Suite 800, San Diego, CA 92101

A true and correct copy of the foregoing document entitled: **APPLICATION FOR ORDER SETTING HEARING ON SHORTENED NOTICE [LBR 9075-1(b)]** will be served or was served **(a)** on the judge in chambers in the form and manner required by LBR 5005-2(d); and **(b)** in the manner stated below:

1. TO BE SERVED BY THE COURT VIA NOTICE OF ELECTRONIC FILING (NEF): Pursuant to controlling General Orders and LBR, the foregoing document will be served by the court via NEF and hyperlink to the document. On *(date)* 7/6/2023, I checked the CM/ECF docket for this bankruptcy case or adversary proceeding and determined that the following persons are on the Electronic Mail Notice List to receive NEF transmission at the email addresses stated below:

☒ Service information continued on attached page

2. SERVED BY UNITED STATES MAIL:

On *(date)* 7/6/2023, I served the following persons and/or entities at the last known addresses in this bankruptcy case or adversary proceeding by placing a true and correct copy thereof in a sealed envelope in the United States mail, first class, postage prepaid, and addressed as follows. Listing the judge here constitutes a declaration that mailing to the judge will be completed no later than 24 hours after the document is filed.

☒ Service information continued on attached page

3. SERVED BY PERSONAL DELIVERY, OVERNIGHT MAIL, FACSIMILE TRANSMISSION OR EMAIL *(state method of service for each person or entity served):* Pursuant to F.R.Civ.P. 5 and/or controlling LBR, on *(date)* 7/6/2023, I served the following persons and/or entities by personal delivery, overnight mail service, or (for those who consented in writing to such service method), by facsimile transmission and/or email as follows. Listing the judge here constitutes a declaration that personal delivery on, or overnight mail to, the judge will be completed no later than 24 hours after the document is filed.

Judge's Copy:

Honorable Scott C. Clarkson
United States Bankruptcy Court
Central District of California
411 West Fourth Street Suite 5130/Courtroom C
Santa Ana CA 92701-4593

☐ Service information continued on attached page

I declare under penalty of perjury under the laws of the United States that the foregoing is true and correct.

07/6/2023 Jonathan Serrano
Date *Printed Name*

/s/ Jonathan Serrano
Signature

In re The Litigation Practice Group, P.C.
U.S.B.C., Central District of California, Santa Ana
Case No. 8:23-bk-105701-SC

I. SERVED ELECTRONICALLY VIA NEF:

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1 **II. SERVED VIA REGULAR U.S. MAIL:**

2 N/A

3 **III. SERVED VIA OVERNIGHT MAIL (FED EX):**

4 **United States Bankruptcy Court**

5 Honorable Scott Clarkson
6 United States Bankruptcy Court
7 Central District of California
8 411 West Fourth Street, Suite 5130 / Courtroom 5C
9 Santa Ana, California 92701
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